

Testimony to the Human Services Committee

Presented by Lisa Connolly, Executive Director of the Jerome Home

March 13, 2012

In support of SB-394- An Act Concerning Medicaid Eligibility and the Identification and Recovery of Assets

Overview of current pending case at Jerome Home

My name is Lisa Connolly and I am the Executive Director of Jerome Home, a 120 nursing home in New Britain.

I am here today to testify in support of Senate Bill 394 and site a real life example of the impact of just one case of inappropriately transferred assets currently in our building.

In my nursing home we go through a very rigorous application process for admission that includes a detailed financial disclosure that asks specifically about transfer of assets. Despite our very best efforts we are not always guaranteed a positive outcome. The example I bring before you today involves an application for admission we received on December 6, 2007 that reflected no gifts or transfers of assets on the financial disclosure. Based on the resident's application for admission and conversations with the family, it was expected that the resident would have enough private funds for 3 years of nursing home care. Subsequently the resident was admitted to Jerome Home on July 3, 2008 into a private room.

To our surprise Jerome Home received notice from DSS in September 2010 that an application for Medicaid had been submitted and that the resident was pending effective September 1, 2010. This was more than one year sooner than anticipated based on the admissions application. This would not have been an issue had it been a simple error in calculating when the Resident's private funds would be exhausted and would need to apply for Medicaid. In the months that followed we discovered that assets were diverted to children under the advice of an attorney and that items were purchased such as furniture, clothing, and jewelry for the resident during the spend-down period which can no longer be located. None of these things are illegal however makes the resident ineligible for Medicaid until the penalty period is exhausted.

Despite our best efforts to do the due diligence necessary prior to accepting the resident into the nursing home, we are faced with the potential for uncompensated care. To add insult to injury, the initial determination by DSS to grant Medicaid after an attached penalty period did not come until January 27, 2012, a full 14 months from the time the application was submitted. This despite monthly status calls to

DSS by Jerome Home staff. During the 14 month pending period, the facility could not initiate discharge plans, move the resident from her private room to a semi private room, or do anything to mitigate the mounting loss that was accumulating while we waited for a determination from DSS. Even now the case is under appeal by the resident's family and their attorney further prolonging this already protracted process. At this time the facility is owed more than \$100,000 due to the penalty period imposed by DSS with no real recourse, a burden that we can not and should not bear.

Our greatest cost is related to staff. Over 70% of every dollar spent goes to paying for staff and benefits. We simply cannot absorb the losses related to transfers of assets that are completely out of our control or are fraudulently transferred. We cannot ask our staff to wait for their paychecks until a complicated Medicaid application is approved. One case such as this one can be devastating; more than one case can easily mean lay-offs and cost cuts that impact our ability to ensure quality care.

As lawmakers we are asking that you support our caregivers and the quality of care that we would all want to receive if and when the need for such care arises. Senate Bill 394 provides some measure of much-needed relief and protection for seniors to receive the quality of care and services they so greatly need.

Thank you for your attention. I will be happy to answer any questions you may have.

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